

**08-19-96 MONDAY, AUGUST 19, 1996**

STATEMENT OF PROCEEDINGS

FOR THE BUDGET MEETING OF THE BOARD OF SUPERVISORS

OF THE COUNTY OF LOS ANGELES

HELD IN ROOM 381B OF THE KENNETH HAHN HALL OF ADMINISTRATION

500 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

9:30 A.M.

**Present:** Supervisors Gloria Molina, Yvonne Brathwaite Burke,  
Zev Yaroslavsky, Deane Dana and Michael D. Antonovich,  
Chairman

**Absent:** None

\* \* \* \* \*

THE FOLLOWING ITEMS WERE PRESENTED TO THE BOARD FOR  
CONSIDERATION AND THE BOARD TOOK ACTIONS AS INDICATED  
IN BOLD AND IN CAPITALS

\* \* \* \* \*

NOTICE OF CLOSED SESSION  
PUBLIC EMPLOYMENT - APPOINTMENT

---

**08-19-96.1 CS-1.**

The Board to met in Closed Session to consider candidates for appointment to the position of Chief Administrative Officer, pursuant to Government Code Section 54957. AFTER DISCUSSION, NO ACTION TAKEN

---

**08-19-96.2 CS-2.**

The Board to met in Closed Session to consider candidates for appointment to the position of Chief Information Officer, pursuant to Government Code Section 54957. AFTER DISCUSSION, NO ACTION TAKEN

---

**08-19-96.3 REPORTS 1 - 6**

---

**08-19-96.3.1 3 1.**

Report from the Interim Chief Administrative Officer on status of the 1996-97 County Budget. AFTER DISCUSSION NO ACTION WAS TAKEN

**Absent:** None

---

## 08-19-96.3.2 4 2.

Joint report from the Interim Chief Administrative Officer and Auditor-Controller on the County's year-end fund balance and on each Department's 1995-96 year-end fund balance. AFTER DISCUSSION NO ACTION WAS TAKEN

**Absent:** None

---

## 08-19-96.3.3 5

The meeting adjourned to Closed Session at 10:30 a.m. following Board Order No. 4, for the purpose of considering candidates for appointment to the position of Chief Administrative Officer, pursuant to Government Code Section 54957; and considering candidates for appointment to the position of Chief Information Officer, pursuant to Government Code Section 54957.

Closed Session convened at 10:30 a.m. Present were Supervisors Gloria Molina, Yvonne Brathwaite Burke, Zev Yaroslavsky, Deane Dana and Michael D. Antonovich, Chairman, presiding.

Closed Session adjourned at 11:30 a.m. Present were Supervisors Gloria Molina, Yvonne Brathwaite Burke, Zev Yaroslavsky, Deane Dana and Michael D. Antonovich, Chairman, presiding.

Open Session reconvened at 11:35 a.m. Present were Supervisors Gloria Molina, Yvonne Brathwaite Burke, Zev Yaroslavsky, Deane Dana and Michael D. Antonovich, Chairman, presiding.

---

## 08-19-96.4 REPORTS (Continued)

**08-19-96.4.1 8 3.**

Report from the Interim Chief Administrative Officer on a contingency plan

to address the potential shortfall of \$50.3 million which includes \$48.5 million in Title IV-A Emergency Assistance revenue and \$1.8 million for the Work Furlough Program by implementing Countywide reductions, as requested by the Board at the Budget Deliberations meeting of 6-27-96; also reports on the mandated responsibilities and actual costs associated with the potential shortfall of \$50.3 million and a detailed breakdown of the \$250 million in discretionary dollars identified in the County's 1996-97 Budget and where they are being spent, as requested by Supervisor Molina at the Budget/Health Committee meeting of 7-25-96; and consideration of the Chief Administrative Officer's recommendations on departments' program priorities. CONTINUED TO TUESDAY, AUGUST 20, 1996 ; ALSO CONTINUED TO TUESDAY, AUGUST 20, 1996 THE FOLLOWING RECOMMENDATIONS:

SUPERVISOR MOLINA'S RECOMMENDATION TO:

a) INSTRUCT THE INTERIM CHIEF ADMINISTRATIVE OFFICER TO MITIGATE THE CONFIRMED SHORTFALL OF \$90.6 MILLION BY TAKING THE FOLLOWING ACTIONS:

- 1) REDUCE EXPENDITURES BY \$35.36 MILLION (NINE-MONTH) SAVINGS;
- 2) APPROPRIATE \$2.0 MILLION FROM THE IMPROVEMENT IN PROPERTY VALUES, \$7.6 MILLION FROM SAVINGS FROM THE SALE OF THE COUNTY'S TAX AND REVENUE ANTICIPATION NOTES AND \$3 MILLION FROM MASTER REFUNDING SAVINGS; AND
- 3) APPROPRIATE \$42.64 MILLION FROM THE DESIGNATION FOR BUDGETARY UNCERTAINTIES, OF WHICH \$19.1 MILLION

IS THE GENERAL FUND PORTION OF THE  
RETIREE HEALTH SAVINGS.

( CONTINUED )

---

## **08-19-96.5 REPORTS (Continued)**

---

### **08-19-96.5.1 8 3. (Continued)**

- b) ALSO INSTRUCT THE INTERIM CHIEF  
ADMINISTRATIVE OFFICER TO MERGE THE SERVICES  
AND ADMINISTRATION OF THE FOLLOWING  
DEPARTMENTS AND TRANSFER NET COUNTY COST  
AS REVISED FROM THE ADOPTED BUDGET:
- 1) MERGE THE OFFICE OF AFFIRMATIVE ACTION  
COMPLIANCE INTO THE DEPARTMENT OF  
HUMAN RESOURCES;
- 2) CONSOLIDATE CONSUMER AFFAIRS AND THE  
COMMISSION ON HUMAN RELATIONS INTO  
THE DEPARTMENT OF COMMUNITY AND  
SENIOR SERVICES;
- 3) TRANSFER THE MILITARY AND VETERANS  
AFFAIRS DEPARTMENT INTO THE DEPARTMENT  
OF COMMUNITY AND SENIOR SERVICES, BUT  
TRANSFER THE MANAGEMENT OF PATRIOTIC  
HALL TO THE CHIEF ADMINISTRATIVE OFFICE;  
AND

- 4) MERGE THE OFFICE OF THE OMBUDSMAN  
INTO THE AUDITOR-CONTROLLER.

( CONTINUED )

---

## **08-19-96.6 REPORTS (Continued)**

---

### **08-19-96.6.1 8 3. (Continued)**

- c) INSTRUCT THE INTERIM CHIEF ADMINISTRATIVE  
OFFICER TO TRANSFER THE FOLLOWING PROGRAMS  
FROM HER OFFICE:
  - 1) TRANSFER OFFICE OF PROTOCOL AND  
PUBLIC INFORMATION TO THE EXECUTIVE  
OFFICE;
  - 2) TRANSFER SECURITY MANAGEMENT TO THE  
SHERIFF; AND
  - 3) TRANSFER WORK PLACE PROGRAMS TO THE  
DEPARTMENT OF HUMAN RESOURCES. THE  
NET COUNTY COST ASSOCIATED WITH THESE  
PROGRAMS WILL NOT BE TRANSFERRED WITH  
THE PROGRAMS, BUT THE DEPARTMENTS  
ABSORBING THE PROGRAMS SHALL HAVE THE  
RIGHT TO BILL THE CLIENT REQUESTING  
THE SERVICE FOR THE COST OF THE  
SERVICE.
- d) REQUEST THE SHERIFF TO LINK THE OPENING OF TWIN

TOWERS CORRECTIONAL FACILITY WITH THE PASSAGE  
OF THE LOCAL CONTROL AND FISCAL RESPONSIBILITY  
ACT, OR THE DEVELOPMENT OF AN ALTERNATIVE NEW  
REVENUE SOURCE.

(CONTINUED)

---

## 08-19-96.7 REPORTS (Continued)

---

### 08-19-96.7.1 8 3. (Continued)

RECOMMENDATION BY SUPERVISOR ANTONOVICH TO APPROVE THE CHIEF  
ADMINISTRATIVE OFFICER'S NET COUNTY COST REDUCTIONS FOR THE SHERIFF'S  
DEPARTMENT, WHICH THE SHERIFF HAS AGREED TO, AND ALLOCATE AN IDENTICAL  
SUM, ALONG WITH AB 3226 (BRULTE) FUNDS (\$3.5 MILLION), TO THE SHERIFF FOR  
OPERATION OF ONE OF THE TOWERS IN THE TWIN TOWERS JAIL FACILITY BEGINNING  
JANUARY 1, 1997; ALSO INSTRUCT THE CHIEF ADMINISTRATIVE OFFICER TO REPORT  
BACK TO THE BOARD BY APRIL 1, 1997, ON FUNDING SOURCES FOR THE SECOND  
TOWER, INCLUDING LEASE REVENUE; INSTRUCT THE CHIEF PROBATION OFFICER TO  
KEEP PROBATION CAMPS OPEN AT LEAST UNTIL THE BOARD MEETING OF  
DECEMBER 3, 1996; ALSO INSTRUCT THE CHIEF ADMINISTRATIVE OFFICER TO  
REPORT

TO THE BOARD WEEKLY ON THE PROSPECTS FOR PROBATION CAMP FUNDING FROM THE  
STATE; AND EARMARK THE REMAINING POTENTIAL SAVINGS FROM SB 681 (HURTT)  
(\$19.4 MILLION) TOWARD THE OPERATION OF CAMPS IN THE EVENT THAT STATE  
FUNDING FALLS SHORT OF THE BOARD'S EXPECTATIONS; AND OFFSET THE  
\$88.6 MILLION BUDGET SHORTFALL THROUGH THE FOLLOWING MEASURES:

**\$19.3 million**Implement one-half of the SB 681 (Hurtt)  
potential savings beginning  
January 1, 1997;

**\$19.1 million**Retiree health savings;

**\$19.0 million**Reallocate realignment funds from mental

health account;  
\$7.6 million Tax and Revenue Anticipation Notes Premium;  
\$3.9 million Designation for Capital Projects/Information  
Technology;  
\$2.0 million Improvement in assessed valuation;  
\$9.5 million Departmental Net County Cost reductions;  
\$5.0 million Los Angeles County Employees  
Retirement Association surplus earnings; and  
\$3.2 million Master Refunding Savings.

**Absent:** None

**Vote:** Unanimously carried

---

## 08-19-96.8 REPORTS (Continued)

---

### 08-19-96.8.1 9 4.

Report from the Interim Chief Administrative Officer on estimated savings from implementation of Countywide synchronized 4/40 schedule, holiday furlough and once-a-month paydays, as requested by Supervisor Antonovich. INSTRUCTED THE CHIEF ADMINISTRATIVE OFFICER TO BEGIN DISCUSSIONS WITH EMPLOYEE UNIONS REGARDING A COUNTYWIDE 4/40 PROGRAM, HOLIDAY FURLOUGH, AND ONCE-A-MONTH PAYDAYS

**Absent:** None



**Vote:** Unanimously carried

---

**08-19-96.8.2 11 5.**

Update from the Chief Probation Officer on the 1996-97 month-to-month Community-Based Organization contracts for the County Delinquency Prevention Program, Community Youth Gang Services Corporation and the Sugar Ray Robinson Youth Foundation, as approved by the Board at the Budget Deliberations meeting of June 25, 1996. (Also see Board Order No. 10 this date) AFTER DISCUSSION NO ACTION WAS TAKEN

**Absent:** None

**Vote:** Unanimously carried

---

**08-19-96.8.3 6 6.**

Report from the Director of Health Services on privatization plan recommendations for Rancho Los Amigos Medical Center, as requested by Supervisor Dana at the Budget Deliberations meeting of June 24, 1996; also

report on status of the Department of Health Services' overall budget. THE DIRECTOR OF HEALTH SERVICES PRESENTED A STATUS REPORT ON PRIVATIZATION

PLANS FOR RANCHO LOS AMIGOS MEDICAL CENTER. AFTER DISCUSSION NO ACTION WAS TAKEN. BY COMMON CONSENT THE BOARD CONTINUED THE DIRECTOR OF HEALTH SERVICES' REPORT ON THE OVERALL STATUS OF THE DEPARTMENT OF HEALTH SERVICES TO TUESDAY, AUGUST 20, 1996

**Absent:** None

**Vote:** Unanimously carried

---

## **08-19-96.8.4 7**

The meeting recessed at 12:45 p.m. following Board Order No. 6 until 2:00 p.m.

The meeting reconvened at 2:15 p.m. Present were Supervisors Gloria Molina, Yvonne Brathwaite Burke, Zev Yaroslavsky, Deane Dana and Michael D. Antonovich, Chairman, presiding.

FINANCING ISSUES RELATING TO PUBLIC SAFETY AND TWIN TOWERS DETENTION FACILITY      7 - 10

---

## **08-19-96.8.5 12 7.**

Report and recommendations as follows from the Interim Chief Administrative Officer on the creation of a Supplemental Law Enforcement Services Fund and Supplemental Law Enforcement Oversight Committee as authorized in AB 3229 (Brulte), which provides \$100 million to local government for a limited number of public safety uses: APPROVED

- a) Instruct the Auditor-Controller and the Chief Administrative Officer to create the Supplemental Law Enforcement Services Fund as an independent budget unit, and to return to the Board with budget adjustment recommendations when funds are received; and

- b) Create the Los Angeles County Supplemental Law Enforcement Oversight Committee, consisting of one municipal police chief as determined by the Los Angeles County Police Chiefs Association, the Sheriff, the District Attorney, the County Executive Officer, and one city manager.

**Absent:** None

**Vote:** Unanimously carried

---

**08-19-96.8.6 14 8.**

Recommendation as submitted by Supervisor Dana: Instruct the Auditor-Controller with the concurrence of the Sheriff, to allocate the County's share of the \$12.5 million earmarked for local sheriffs, to the Twin Towers Detention Facility Budget. CONTINUED TO TUESDAY, AUGUST 20, 1996

**Absent:** None

**Vote:** Unanimously carried

FINANCING ISSUES RELATING TO PUBLIC SAFETY AND TWIN TOWERS DETENTION FACILITY (Continued)

---

**08-19-96.8.7 15 9.**

Recommendation as submitted by Supervisor Yaroslavsky: Amend the 1996-97 Budget as follows: CONTINUED TO TUESDAY, AUGUST 20, 1996

- a) Rescind \$33.5 million of the resource enhancements recommended in the Chief Administrative Officer's proposed Fiscal Year 1996-97 budget through specific Net County Cost (NCC) reductions;
- b) Implement additional specific NCC spending reductions totaling \$12.1 million;
- c) Implement additional specific NCC spending reductions of \$4.8 million, representing likely additional LACERA surplus earning credits beyond those assumed in the proposed Fiscal Year 1996-97 budget;
- d) Commit \$18 million of the above funds to a separate Twin Towers Detention Facility fund dedicated toward the opening and operations of at least one tower in the Twin Towers Facility;
- e) Commit the remaining \$32.3 million to the reserve for budgetary uncertainties in order to enhance the County's inadequate contingency reserve in light of over \$110 million in uncertain legislative or judicial assumptions contained  
  
the Chief Administrative Officer's proposed Fiscal Year 1996-97 budget; and
- f) Encourage departments to submit proposals for the Chief Administrative Officer's review and the Board's consideration, that request funds for one-time non-operating expenditures which enhance service delivery productivity; examples include infrastructure, equipment, computer equipment, software procurement or development; proposals must include detailed productivity justifications, budget and operational plans.

**Absent:** None

**Vote:** Unanimously carried

FINANCING ISSUES RELATING TO PUBLIC SAFETY AND TWIN TOWERS DETENTION FACILITY (Continued)

---

**08-19-96.8.8 16 10.**

Recommendation as submitted by Supervisor Dana: Allocate \$18 million for the immediate opening and operation of Tower I from the following sources: CONTINUED TO TUESDAY, AUGUST 20, 1996

a) New revenue drawn from:

- 1) Additional LACERA excess (Net County Cost) earnings savings of \$7 million; and
- 2) Interest cost savings (Tax and Revenue Anticipation Notes), as identified by the Chief Administrative Officer of \$4 million; and

b) Various amendments to the Chief Administrative Officer's Proposed 1996-97 Budget in order to obtain an additional \$7 million.

**Absent:** None

**Vote:** Unanimously carried

MISCELLANEOUS PROPOSED CHANGES TO THE ADOPTED  
1996-97 BUDGET 11 - 12

---

**08-19-96.8.9 17 11.**

Interim Chief Administrative Officer's recommendations relating to the 1996-97 Budget as follows: CONTINUED TO TUESDAY, AUGUST 20, 1996

- a) Instruct the Auditor-Controller, via the Supplemental Budget Resolution, to allocate 50% of any fund balance generated in Fiscal Year 1995-96 in excess of the \$150 million budgeted in the General Fund in 1996-97 to a Designation for Capital Projects and Information Technology, with specific allocations from the Designation to be made by the Board on a project-by-project basis for urgent capital improvements, repayment of Bond Anticipation Notes, and/or new information technology projects; and
- b) Allocate the remaining 50% of fund balance generated in excess of \$150 million to the departments generating the savings for commitment to one-time expenditures.

**Absent:** None

**Vote:** Unanimously carried

MISCELLANEOUS PROPOSED CHANGES TO THE ADOPTED 1996-97 BUDGET  
(Continued)  
4-VOTE

---

**08-19-96.8.10 13 12.**

Interim Chief Administrative Officer's recommendation: Approve appropriation adjustment which transfers from the Department of Public Social Services Administration budget and restores to the General Relief (GR) Assistance Budget a total of \$14.0 million to reflect the passage of the County match waiver which eliminates the need to implement a three-month time limit on assistance for GR employables as an assistance for GR employables as an alternative funding source to prevent layoffs in the Department of Public Social Services. APPROVED; ALSO INSTRUCTED THE EXECUTIVE OFFICER OF THE BOARD TO THANK GOVERNOR PETE WILSON AND SENATOR HILDA L. SOLIS FOR THEIR ASSISTANCE IN THE PASSAGE OF SB1472

**Absent:** None

**Vote:** Unanimously carried

---

## 08-19-96.9 1997-98 BUDGET POLICY ISSUE 13

---

### 08-19-96.9.1 18 13.

Recommendation as submitted by Supervisor Antonovich: Instruct the Chief Administrative Officer in preparing the 1997-98 Budget, and subsequent budgets, to observe the following policies: CONTINUED TO TUESDAY, AUGUST 20, 1996

- a) A maximum of \$50 million in year-end fund balance  
(and preferably less) can be allocated to ongoing expenses;
- b) 50% of any fund balance above the initial \$50 million

will go into a fund to maintain, refurbish and repair the County's physical assets;

- c) 50% of any fund balance above the initial \$50 million will be returned to the departments in proportion to their contribution to the fund balance; and
- d) If it is determined that additional funds are available from LACERA, 50% be designated for budget uncertainties and the remainder be designated for public safety needs, including the opening of Twin Towers.

**Absent:** None

**Vote:** Unanimously carried

---

## 08-19-96.10 MISCELLANEOUS

---

### 08-19-96.10.1 14.

Additions to the agenda requested by Board members and the Interim Chief Administrative Officer, which were posted more than 72 hours in advance of the meeting, as indicated on the green supplemental agenda.

---

### 08-19-96.10.2 19 14-A.



Recommendation as submitted by Supervisor Molina: Instruct the Interim Chief Administrative Officer to allocate \$5 million, specifically from Discretionary Funds, to the Sheriff as a down payment toward the opening of Twin Towers; and the Board consider alternatives for the \$13 million balance needed. CONTINUED TO TUESDAY, AUGUST 20, 1996

**Absent:** None

**Vote:** Unanimously carried

---

### **08-19-96.10.3**

Discussion of topics on the posted agenda and administrative requests by individual Supervisors for reports from Department Heads on various matters as follows:

---

### **08-19-96.10.4 2**

On motion of Supervisor Antonovich, the Board instructed the Interim Chief

Administrative Officer to review the California Department of Social Services' study entitled, "Welfare Reform 1996: Effects of Prior AFDC Maximum AID Payment Reductions on Children's Services and Analysis of Foster Care Caseload Dynamics for Los Angeles County and the Five Next Largest Counties"; and report back to the Board in two weeks with findings.

**Absent:** Supervisors Molina and Burke

**Vote:** Unanimously carried

---

## **08-19-96.11 MISCELLANEOUS (Continued)**

---

### **08-19-96.11.1**

Discussion of topics on the posted agenda and administrative requests by individual Supervisors for reports from Department Heads on various matters as follows: (Continued)

---

### **08-19-96.11.2 10**

-- The following action was taken in relation to the subject of Agenda Item No. 5 which was posted in accordance with Government Code Section 54954.2(a); and on motion of Supervisor Burke, the Board instructed the Chief Probation Officer to take the following actions:

- Extend the contract with Community Youth Gang Services (CYGS) to September 30, 1996 to allow CYGS time to wind up the operations in connection with its services to the County, after which time the contract will expire;
- Disburse only one quarter of the budgeted contract amount of \$211,829.25 to CYGS for services rendered through September 30, 1996; and

- Issue a Request for Proposals for a community based organization to provide gang prevention and intervention services to reduce gang violence in the County as soon as possible, to take effect on November 30, 1996.

**Absent:** None

**Vote:** Unanimously carried

- During discussion of Agenda No. 3, relating to the Interim Chief Administrative Officer's contingency plan, Supervisor Burke requested the Director of Mental Health and County Counsel to report back to the Board on the feasibility of a loan with respect to reallocation of mental health realignment funds.
- During discussion of Agenda No. 5, the Chief Probation Officer's update on the community-based organization contracts, Supervisor Molina requested the Interim Chief Administrative Officer to provide the Board with a breakdown of funds for larger community-based organizations receive from revenue sources other than Los Angeles County.

Meeting adjourned (Following Board Order No. 19).  
Next meeting of the Board: Tuesday morning,  
August 20, 1996 at 9:30 a.m.

The foregoing is a fair statement of the proceedings of the meeting held August 19, 1996, by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

JOANNE STURGES  
Executive Officer-Clerk  
of the Board of Supervisors

By \_\_\_\_\_  
ROBIN A. GUERRERO, Chief  
Board Operations Division

---